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A Deadly Serious Game

A U.S. officer is shot and a startling bugging system uncovered

Odd as it may seem, even the murky realm of superpower espionage is governed by an etiquette of sorts. The U.S. and the Soviet Union accept the reality that each seeks access to intelligence about the other in the course of many diplomatic, academic and cultural contacts. Conversely, each agrees to refrain from using certain methods to gather information about the other, in the interest of conducting normal relations. Last week Moscow was caught in two major breaches of this code of the covert. One ended in the cold-blooded killing in East Germany of a U.S. Army major, in violation of an unwritten military understanding; the other resulted in the loss of U.S. intelligence of inestimable value, in violation of the formal code of international diplomacy.

To some U.S. officials, the killing of Major Arthur Nicholson, a member of the U.S. military liaison group based in Potsdam, near East Berlin, was an ugly reminder of the shoot-first mentality often displayed by the Soviets, most shockingly in the downing of the Korean Air Lines passenger jet in Soviet airspace 19 months ago. The other episode, a revelation by CBS News that the Soviets had been bugging typewriters in the U.S. embassy in Moscow, was less an outright provocation than a spectacular example of the dirty tricks sometimes played by one side on the other.

The Reagan Administration's initial response to the Soviet shooting was oddly muted. To be sure, Assistant Secretary of State Richard Burt called it "murder" and demanded a Soviet apology. The U.S. canceled its official participation in the anniversary celebration this month of the meeting of Soviet and American troops at Torgau on the Elbe River 40 years ago. Yet on the morning after the shooting, Reagan declared that it made him "even more anxious" to attend a summit meeting with new Soviet Leader Mikhail Gorbachev as a means of preventing such incidents in the future. Reagan suggested that if Gorbachev plans to address the opening of the U.N. General Assembly next September in New York, a meeting could be arranged then, "if that is convenient for him." There was no immediate Soviet reply.

Nicholson was one of 14 U.S. servicemen assigned to act as a liaison with Warsaw Pact troops in Potsdam, the site of the final meeting of Allied leaders of World War II. In 1947 the four occupying nations in Germany agreed to exchange military delegations as a means of lessening tensions. The arrangement gave the U.S., Britain and France one mission each in the Soviet zone, now East Germany; Mos-

The body of Major Nicholson in the U.S.: a shoot-first mentality and a breach in the code of the covert

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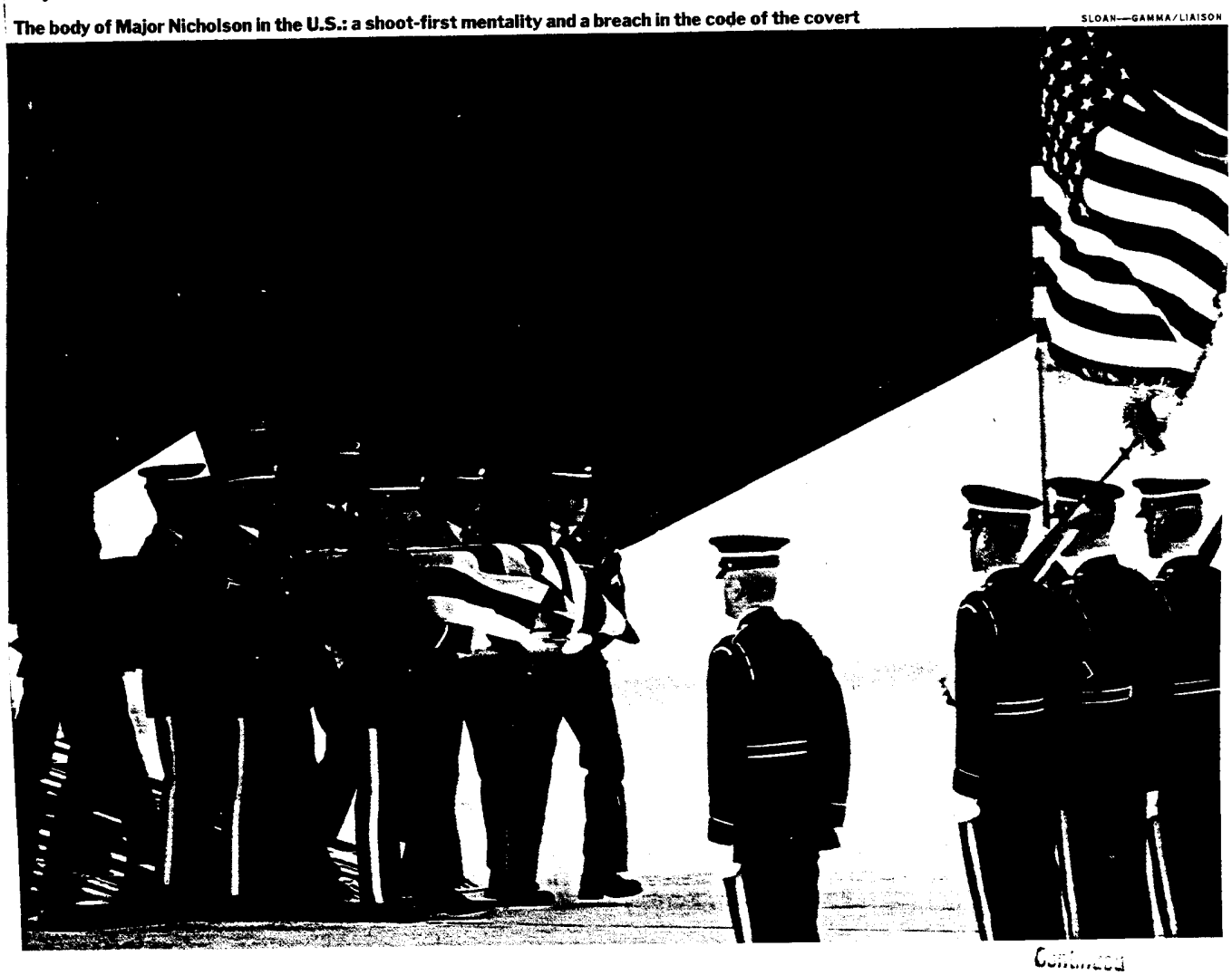

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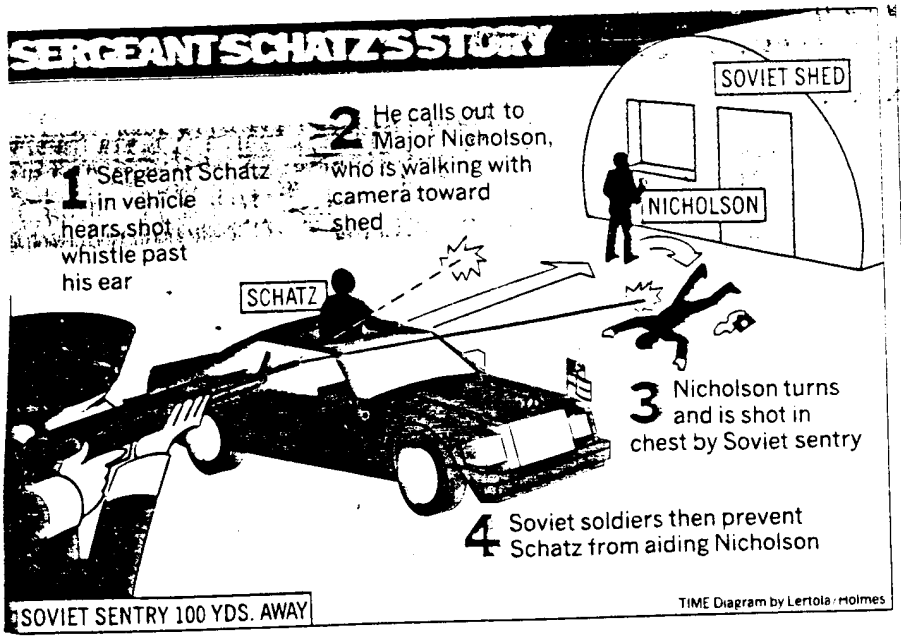

cow opened operations in the three Western zones, now West Germany.

The sole purpose of the missions is to collect military intelligence on the other side's forward lines, along what has become the most heavily militarized front in the world. The agreement guarantees mission members the right of free travel except to restricted military areas, some of them permanently off limits and others temporarily. Over the years both sides have grown very adept at using their inside vantage points to monitor movements of troops, matériel and missiles.

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A specialist in Soviet intelligence with Russian-language training, Nicholson was nearing the end of his three-year tour of duty in Potsdam. Accompanied by Sergeant Jessie Schatz, Nicholson left Potsdam at lunchtime Sunday in a dark green Mercedes bearing an American flag. Both were dressed in camouflage fatigues, and Nicholson carried a set of powerful binoculars and a Nikon camera. They drove about 100 miles north to an area outside the town of Ludwigslust, the site of a training camp for a Soviet tank regiment of the 2nd Guards Division. The Soviets claim that the pair drove onto prohibited territory, ignoring warning signs in Russian and German; Washington insists that they stopped short of the base itself and that there were no signs.

While Schatz raised himself through the Mercedes' sunroof to keep a weather eye, Nicholson walked toward a Soviet tank shed, intending to take photographs through a window. At 3:50 p.m., according to Schatz, a Soviet sentry suddenly appeared from a wooded patch about 100 yards from the men. "Watch out!" shouted Schatz. "Come back!" Without warning, American officials charge, the sentry fired three quick rounds from his AK-47 assault rifle. One of them whistled by Schatz's ear, a second went wide, and the third tore through Nicholson's chest as he turned. "I've been shot, Jess," the major gasped. Schatz grabbed a first-aid box and started running toward him but was forced back into the car by Soviet soldiers. It was another hour before a Soviet medic examined Nicholson; by then he was dead. The next day, an East German ambulance delivered Nicholson's body to a U.S. honor guard at the center of Berlin's Glienicker Brücke, the bridge at the East-West crossing point where captured Soviet Spy Rudolf Abel was exchanged for downed U-2 Pilot Francis Gary Powers in 1962.

Nicholson was in fact stretching the limits of his privileges as a so-called legal spy; U.S. officials concede that the Soviets had every right to detain him. But he was stretching the boundaries of conduct no further than the Soviets have tried themselves, no doubt successfully on many occasions, in West Germany. Indeed, part of the "cat-and-mouse game," as one Washington official calls the ongoing test of nerve between liaison members and their hosts, is to keep the surveillance teams under close countersurveillance and nab them for infractions. Nicholson was the first liaison member from either side to be fatally shot.

While calling the incident "regrettable," the Soviet news agency TASS blithely declared that "the entire responsibility for it lies fully on the American side." Top Pentagon officials bluntly warned the Soviet embassy's military attaches in Washington that their conduct was unacceptable and served notice that they want more explicit ground rules for the esoteric practice of cross-surveillance. Said one high official: "The system only works if both sides follow the rules."

On Saturday, as Nicholson was being buried with full military honors at Arlington National Cemetery, Soviet Ambassador Anatoli Dobrynin met for more than an hour with Secretary George Shultz at the State Department in what Dobrynin called an effort "to put this episode behind us." The two agreed that the commander in chief of the Soviet forces in East Germany and the commander in chief of the U.S. Army in Europe will meet to decide how such violent incidents can be avoided in the future. Said a senior U.S. official: "We think the Soviet response is something we can build on."

The bugging of about a dozen IBM Selectric typewriters in the U.S. embassy in Moscow was a severe embarrassment for Washington. Security officials were told about the bugs several months ago. They are still not certain how long the electronic penetration lasted—most think the devices were operational for more than a year—or how clearly the Soviets were able to receive the signals given off by their planted transmitting devices. After a briefing from Administration officials last week, a member of the Senate Intelligence Com-

The widow Karyn, left, and daughter Jennifer, 8, at Andrews; above, Nicholson in family portrait

mittee said. "The loss was substantial."

The Soviets apparently placed sensors of some sort inside the workings of certain typewriters. Electronic-eavesdropping specialists in Washington speculate that the Soviets somehow encoded the machines' typing function, giving each character a distinguishing electronic or magnetic signature. These signals may have been transmitted to antennas planted in the embassy's exterior walls and in turn carried to a listening post located safely away from U.S. diplomatic property.

American officials gradually came to realize that information was leaking from the embassy. But according to CBS, they did not actually discover the bugs until 1984, after receiving an informal tip from the foreign service officers of a friendly nation that they had detected the bugging of some of their embassy's typewriters. The most damaging discovery was that at least some of the compromised typewriters were situated in the embassy's political section, the group responsible for providing policymakers in Washington with assessments of the private workings of the ruling Politburo, the Central Committee and other top-level Soviet commands.

Electronic eavesdropping has played a long if not particularly honorable role in

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The bugged U.S. embassy in Moscow

postwar East-West relations. The most celebrated case was the discovery of an electronic listening device in a wooden replica of the great seal of the U.S. presented to American Ambassador Averell Harriman by the Soviets in 1945 and displayed by Henry Cabot Lodge Jr. at the U.N. in 1960. Some time after the U.S. moved into its Moscow embassy quarters in 1953, security officials found telephone bugs encased in bamboo, making them impervious to the metal detectors. In 1956 it was the Soviets' turn to expose electronic treachery, when they discovered an underground telephone-wiretapping center in East Berlin at the end of a tunnel leading to the West.

Until the 1970s, U.S. security measures included keeping political-section secretaries at the Moscow embassy in an electronically shielded room. In 1978, when security officers discovered that a shipment of IBM Selectrics had been hauled from Antwerp to Moscow by a Soviet trucking line, the typewriters were sent back to Washington. However, a later consignment of the machines also came into temporary Soviet possession, this time evidently without U.S. knowledge. These were the typewriters that at some point were outfitted with bugs.

Officials in Washington complain that Moscow embassy employees have grown cavalier about security precautions. The revelation that a sensitive operation like the political section now occupies unshielded quarters is testimony to a startling lack of vigilance. Admits one U.S. official with firsthand knowledge of the embassy operation: "It's a security abomination." ***—By William R. Doerner. Reported by Johanna McGeary and Ross H. Munro/Washington***